Introduction of National Investment Law

162. SHRI IQBAL SINGH:
SHRI SURESH PACHOURI:

Will the Minister of FINANCE be pleased to state:

(a) whether the high level committee on balance of payments headed by the RBI Governor has recommended the introduction of national investment law codifying the existing policies and practices relating to dividend repatriation, disinvestment etc.;

(b) if so, what are the main recommendations made by the committee;

(c) whether Government has examined these recommendations; and

(d) what steps have been taken to implement them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) Yes, Sir. The report submitted in April, 1993 has made such a suggestion.

(b) The Committee, having recognised the concerns of the foreign investors, recommended that (i) a National Investment Law be seriously considered codifying the existing policy and practices relating to dividend repatriation, disinvestment, non-discrimination subject to conditions that may be specified, employment of foreign nationals, non-expropriation, and sanction and servicing of external commercial borrowings. (ii) Further the Committee has also recommended that such a law could also provide for enabling policy, procedures and institutional framework for approval of investments under non-automatic route, according pioneer status or domestic-investor status. new instruments of private commercial flows, and applicability of local or international laws etc. Such an Investment Law need not in any way exclude consideration of bilateral investment treaties.

(c) and (d) The report has been recently submitted and its recommendnations are under examination.

Passing on of excise concessions to consumers

163. SHRI P. UPENDRA: Will th Minister of FINANCE be pleased to stat

(a) whether Government had announ ed excise concessions to the tune of R 1200 crores in the current year's budge

(b) whether these benefits have bee passed on the consumers by the Trad and Industry; and

(c) if no, what action Government ar proposing to take against such trade and industrialists who have not passe these benefits to conusmers?

THE MINISTER OF STATE IN TH MINISTRY OF FINANCE (SHRI M. V CHANDRASHEKHAR MURTHY): (a to (c) The Government had announce reduction in excise duty to the tune Rs. 1249 crores in the 1993-94 budge Excise duty exemptions are given fc achieving different objectives like reducin input costs, protecting small scale secto promotion of export etc. It is expecte that some of these concessions shoul result in reduced prices to consumer However, Government does not enforc price control on most manufactured pr ducts. Market prices are generally dete mined by a multiplicity of factors, o of which duty of excise is one.

While, there is no legal mechanism t enforce reduction in price to the exte of reduction in excise duty, dialogue wit concerned Association or Industry ar held a view to understand their view poin

Merger of Cooperative Banks

164. SHRI SHIV PRATAP MISHRA Will the Minister of FINANCE be please to state:

(a) whether RBI has proposed merg of weak urban cooperative banks;

(b) if so, what are the details thereo and

(c) what action has been taken by Gov ernment thereon?